

LAS VEGAS (AP) — CityCenter Holdings LLC, , which owns the massive Las Vegas casino joint venture of MGM Resorts International and Dubai World's Infinity World Development Corp., said Friday it issued \$1.5 billion worth of notes to raise money to help reduce cut its outstanding debt.

CityCenter issued \$900 million of its 7.625 senior secured first lien notes due in 2016 and \$600 million of its 10.75 percent senior secured second lien payment-in-kind toggle notes due in 2017.

The company plans to use the proceeds, plus \$77 million in equity contributions from its owners, to reduce the balance on its senior secured credit facilities to \$500 million from \$1.85 billion, to create an interest escrow for first lien debt, and to pay fees and expenses.

The \$500 million balance of the senior secured credit facility will be extended to January 2015 under an amended and restated agreement.

MGM Resorts, in which Kirk Kerkorian is a major investor, has said the Las Vegas market is stabilizing. But the company has continued to book losses on its stake in the mammoth complex, which cost \$8.5 billion to build.

CityCenter is on the Las Vegas Strip, which was hit hard by the recession and slow economic recovery. CityCenter posted an operating loss of \$1.27 billion during the first three quarters of 2010.

Shares of MGM Resorts, which is based in Las Vegas, fell 31 cents, or 2 percent, to \$15.01 in afternoon trading.

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CityCenter issues \$1.5B in notes - Bloomberg

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